



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 9/8/2021

Item Creation Date: 8/31/2021

HAS - Creation of Houston Spaceport Development Corporation

Agenda Item#: 11.

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### **Summary:**

RESOLUTION authorizing the creation of **HOUSTON SPACEPORT DEVELOPMENT CORPORATION, INC.**, a local government corporation; approving the certificate of formation; approving the initial bylaws; appointing the initial board of directors

### **Background:**

#### **RECOMMENDATION:**

Pass a resolution approving 1) the creation of the Houston Spaceport Development Corporation, 2) the Bylaws of the Corporation, 3) the confirmation of individuals nominated for appointment to the Corporation's Board of Directors.

#### **SPECIFIC EXPLANATION:**

During the last decade, Texas has emerged as a growing player in the aerospace industry, particularly with respect to development for commercial space activity. In recognition of this, the 80th Texas Legislature passed legislation creating Chapter 507 of the Texas Local Government Code (Spaceport Development Corporations), which allows political subdivisions to create spaceport development corporations (SDCs).

One of the primary benefits of SDCs is the ability for authorizing entities to apply for and accept space grant funds under the Texas Spaceport Trust Fund for eligible projects. During the 87th Texas Legislature, \$10 million was designated in Section XI of the Governor's adopted budget for the Spaceport Trust Fund.

An SDC may be developed by a county, a municipality with a population of two million or more, or a combination of one or more municipalities and one or more counties. Currently, three SDCs exist and compete for state funding—Cameron County Spaceport Development Corporation, McClennan County Spaceport Development Corporation, and Midland Spaceport Development Corporation.

Roads, utilities, and building structures are all eligible for reimbursement as needed based on the particulars of the grant agreement that is put into effect between the Office of the Governor and any potential grantee. In past project, funds have been used for items such as road, storage structures, launch pad-related costs, fencing, fuel storage, exhaust diverters, water lines, and other needed utilities.

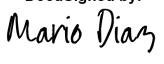
In accordance with Chapter 507, the Houston Airport System desires to form an SDC to maximize economic development opportunities at Houston Spaceport to benefit the city, the region, and the state of Texas. The SDC will engage experts from different disciplines, adding tremendous value to the development efforts.

The Houston Spaceport Development Corporation will be governed by a Board of seven Directors, appointed by the Mayor to serve two-year terms. The Board of Directors will elect a presiding officer from among its members.

#### **Fiscal Note:**

There is no impact to the fiscal budget or no additional spending authority. Therefore, no Fiscal Note is required as stated in the Financial Policies.

#### **Director's Signature:**

DocuSigned by:  
  
9C8DF3A4A7CB4BB...  
Mario C. Diaz  
Houston Airport System

#### **Amount and Source of Funding:**

No funding required

#### **Contact Information:**

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**ATTACHMENTS:**

**Description**

Caption

**Type**

Other